

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

In re:

Louis Martin Mondry,

Debtor.

Case No. 10-55238-TJT

Chapter 7

Hon. Thomas J. Tucker

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**TRUSTEE'S MOTION FOR ORDER  
AUTHORIZING INTERIM DISTRIBUTION**

**Jurisdiction**

1. The Trustee brings this motion under 11 U.S.C. §§ 105 and 724; Fed. R. Bankr. P. 3009 and 9014; and L.B.R. 9014-1 (E.D.M.).

2. This is a core proceeding over which this Court has jurisdiction. *See* 28 U.S.C. §§ 157(b)(2)(A) and 1334.

**Background**

3. Louis Martin Mondry filed a petition for relief under Chapter 13 of the U.S. Bankruptcy Code on May 6, 2010. The case was converted to a case under Chapter 7 on September 24, 2014, and Homer W. McClarty was appointed the Chapter 7 Trustee for the Debtor's bankruptcy estate.

4. On December 19, 2014, the Court entered an order approving the sale of the Debtor's commercial property at 6657 Michigan Avenue, Detroit, Michigan and hardware store assets for \$110,000 on land contract. The land contract is being

paid in monthly installments amortized over five years, with the end date in approximately February 2020. In addition to the land contract payments, the estate receives annual payments under a promissory note for redemption of the Debtor's Class B stock in True Value Company, with the final payment due in December 2019.

5. To date, the Trustee has collected just over \$120,000 in land contract and stock redemption payments.

6. The deadline for filing claims against the bankruptcy estate expired on March 9, 2015. Allowed secured claims were paid in full under this Court's November 21, 2017 Order Authorizing Interim Distribution (doc. 229).

7. The Trustee is currently holding just over \$82,000 in the estate trust account. Of this amount, the Trustee seeks to distribute \$56,829.20 to pay the following priority claims:

Claim Nos.	Claimant	Basis of Claim	Priority Amount
4	City of Detroit, Treas.	Income taxes	\$1,241.17
14	Michigan Dept. of Treas.	Sales and withholding taxes	\$6,426.75
20	Dept. of Treas., IRS	FICA taxes	\$49,161.28

### **Interim Distribution**

8. In a Chapter 7 case, dividends to creditors shall be paid as promptly as practicable. *See* Fed. R. Bankr. P. 3009.

9. As indicated above, the estate is holding sufficient funds to make a meaningful distribution to creditors. And, because it will be approximately a year before the land contract will be paid in full and the Trustee is able to propose a final distribution on claims, the Trustee believes that an interim distribution is appropriate at this time.

### **Relief Requested**

The Trustee respectfully requests that this Court enter an order authorizing an interim distribution of estate funds, and granting such further relief as this Court deems appropriate.

Steinberg Shapiro & Clark

/s/ Tracy M. Clark (P60262)  
Attorney for Trustee  
25925 Telegraph Rd., Suite 203  
Southfield, MI 48033  
(248) 352-4700  
clark@steinbergshapiro.com

Date: May 9, 2019

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
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**ORDER AUTHORIZING INTERIM DISTRIBUTION**

This matter is before the Court on the Trustee's motion. Interested parties were served with notice of the motion, and no objections were timely filed.

IT IS ORDERED as follows:

A. The Trustee's motion is granted.

B. The Trustee may distribute \$56,829.20 from the estate trust account to

pay—

- Priority claim no. 4 filed by City of Detroit, Treasurer in the amount of \$1,241.17;
- Priority claim no. 14 filed by Michigan Department of Treasury in the amount \$6,426.75; and
- Priority portion of claim no. 20 filed by Department of the Treasury, IRS in the amount of \$49,161.28.

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

In re:

Louis Martin Mondry, xxx-xx-0418  
49390 Bay Lane  
New Baltimore, MI 48047

Case No. 10-55238-tjt  
Chapter 7  
Hon. Thomas J. Tucker

Debtor.

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**NOTICE OF TRUSTEE'S MOTION FOR ORDER  
AUTHORIZING INTERIM DISTRIBUTION**

Chapter 7 Trustee Homer W. McClarty has filed a motion seeking authority to use \$56,809.20 of the \$82,000 in estate funds to pay priority claims. In 2014, the Trustee sold the estate's interest in commercial property at 6657 Michigan Avenue, Detroit, Michigan and hardware store assets for \$110,000 on land contract. The Trustee is in the process of collecting monthly land contract payments, as well as annual payments under a promissory note for redemption of the Debtor's Class B stock in True Value Company. The land contract is being paid in monthly installments amortized over five years, with the end date in approximately February 2020. The Trustee will not be able make a final distribution until after the last payment is made. The deadline for filing claims against the bankruptcy estate expired on March 9, 2015. The claims filed against the estate include three priority claims totaling \$56,809.20. The Trustee has requested authority to pay the priority claims from the funds on hand.

**Your rights may be affected.** You should read these papers carefully and discuss them with your attorney, if you have one in this bankruptcy case. (If you do not have an attorney, you may wish to consult one.)

If you do not want the Court to grant the Trustee's motion, or if you want the Court to consider your views on the motion, then on or before 21 days from the date of service of this notice, you or your attorney must:

File with the Court a written objection or request for hearing at:<sup>1</sup>

Intake Office  
U.S. Bankruptcy Court  
211 West Fort Street  
Detroit, Michigan 48226

If you mail your response to the Court for filing, you must mail it early enough so the Court will **receive** it on or before the 21 day period expires. All attorneys are required to file pleadings electronically.

You must also send a copy to:

Tracy M. Clark, Esq.  
Steinberg Shapiro & Clark  
25925 Telegraph Rd., Suite 203  
Southfield, Michigan 48033

If a response or answer is timely filed and served, the clerk will schedule a hearing on the motion and you will be served with a notice of the date, time, and location of the hearing.

**If you or your attorney do not take these steps, the Court may decide that you do not oppose the relief sought in the motion and may enter an order granting that relief.**

Steinberg Shapiro & Clark

/s/ Tracy M. Clark (P60262)  
Attorney for Trustee  
25925 Telegraph Rd., Suite 203  
Southfield, MI 48033  
(248) 352-4700  
clark@steinbergshapiro.com

Date: May 9, 2019

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<sup>1</sup> Objection or request for hearing must comply with Fed.R.Civ.P. 8(b), (c), and (e).

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**CERTIFICATE OF SERVICE**

I certify that on May 9, 2019, I served copies as follows:

Document Served: Notice of Trustee's Motion for Order Authorizing Interim Distribution

Served Upon: Louis Martin Mondry  
49390 Bay Lane  
New Baltimore, MI 48047

All creditors with timely filed and allowed proofs of claim (*See* L.B.R. 2002-4)

Method of Service: First Class Mail

/s/ Christine T. Leach, Legal Assistant  
Steinberg Shapiro & Clark  
Attorneys for Trustee  
25925 Telegraph Rd., Suite 203  
Southfield, MI 48033  
(248) 352-4700  
cleach@steinbergshapiro.com